



**U.S. Department of Justice**

*United States Attorney  
Eastern District of Wisconsin*

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**NEWS SUMMARY**

Today, the United States Attorney's Office for the Eastern District of Wisconsin announced that Robert W. MacDonald had entered a guilty plea arising out of an investigation into coupon redemption fraud and money laundering that has uncovered losses in the tens of millions of dollars.

MacDonald, age 63, formerly of Memphis, Tennessee and now of The Villages, Florida, pleaded guilty to making a false statement to the government in connection with the investigation. The charge carries penalties of five years imprisonment and \$250,000 in fines. The plea agreement, filed in connection with MacDonald's guilty plea, indicates that MacDonald, who formerly worked as a sales manager in charge of independent retail stores for International Outsourcing Services (IOS), formerly known as International Data, the nation's top processor of coupons submitted by retail stores, falsely told investigators that a certain individual and organization with whom MacDonald worked in connection with his employment at IOS were honest and had integrity, which MacDonald knew at the time was not true. The investigation has shown that this false statement, made earlier in the investigation, was meant to prevent the authorities' discovery of a large and ongoing coupon fraud scheme. The plea agreement further provides that losses in connection with the fraud exceed fifty million dollars, and that MacDonald agrees to serve a five year sentence. United States District Judge Lynn Adelman has set a sentencing date for MacDonald of December 17, 2004.

Of the fifteen persons originally indicted in March, 2003 as part of the initial investigation into coupon redemption fraud, MacDonald is the twelfth person to enter a guilty plea. Of the twelve people convicted so far, four persons have been sentenced, each of them to time in prison.

Investigation into this and other coupon redemption fraud schemes continues. The FBI and the United States Postal Inspection Service are being assisted in this continuing investigation by the Immigration and Naturalization Service, the Social Security Administration, the Milwaukee Police Department, and other state and local agencies in a number of states.

Anyone who may wish to provide additional information pertaining to this ongoing investigation should contact the Milwaukee Office of the FBI at 414-276-4684, or your nearest FBI office. This case has been assigned to United States Attorneys Stephen A. Ingraham for prosecution.

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For more information contact:

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